

LOUISIANA RURAL AMBULANCE ALLIANCE

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2014 AND 2013

CONTENTS

	<u>Page</u>
<u>Independent Auditors' Report</u>	1 - 2
<u>Financial Statements</u>	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4
Statements of Cash Flows	5
Notes to Financial Statements	6 - 10
<u>Supplementary Information</u>	
Schedules of Functional Expenses	11
Schedules of Compensation, Benefits, and Other Payments to Chief Executive Officer	12
Independent Auditors' Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	13 - 14
Schedule of Findings and Questioned Costs	15 - 16
Schedule of Prior Findings and Responses	17

INDEPENDENT AUDITORS' REPORT

Board of Directors
Louisiana Rural Ambulance Alliance
Napoleonville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Louisiana Rural Ambulance Alliance (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisiana Rural Ambulance Alliance as of December 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of functional expenses and schedules of compensation, benefits and other payments to chief executive officer on pages 11 and 12 are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2015, on our consideration of Louisiana Rural Ambulance Alliance's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Louisiana Rural Ambulance Alliance's internal control over financial reporting and compliance.

Postlethwaite & Nathanville

Donaldsonville, Louisiana
June 12, 2015

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 285,016	\$ 188,209
Accounts receivable	261,705	239,681
Prepaid expenses	30,688	26,244
Investments	621,387	601,396
Buildings and equipment, net	<u>555,200</u>	<u>635,965</u>
 TOTAL ASSETS	 <u>\$ 1,753,996</u>	 <u>\$ 1,691,495</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Accounts payable	<u>\$ 35,724</u>	<u>\$ 158,788</u>
 TOTAL LIABILITIES	 35,724	 158,788
 <u>NET ASSETS</u>		
Unrestricted	<u>1,718,272</u>	<u>1,532,707</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 1,753,996</u>	 <u>\$ 1,691,495</u>

The accompanying notes are an integral part of these statements.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>REVENUES AND OTHER SUPPORT</u>		
Public Support		
Grants and contracts with government agencies	\$ 488,637	\$ 810,103
Other Revenue		
Educational events and training	1,000	17,305
Interest and dividend income	15,277	2,219
Net unrealized gains on investments	13,976	12,145
Gain on sale of investments	3,001	2,708
Miscellaneous	363,266	1,279
Total revenues and other support	<u>885,157</u>	<u>845,759</u>
<u>EXPENSES</u>		
Program services		
Grants and contracts	399,394	498,919
Member services	12,270	71,122
Conferences and educational services	6,293	2,366
Support services		
General and administrative	281,635	300,559
Total expenses	<u>699,592</u>	<u>872,966</u>
Change in unrestricted net assets	185,565	(27,207)
Unrestricted net assets at beginning of year	<u>1,532,707</u>	<u>1,559,914</u>
Unrestricted net assets at end of year	<u><u>\$ 1,718,272</u></u>	<u><u>\$ 1,532,707</u></u>

The accompanying notes are an integral part of these statements.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ 185,565	\$ (27,207)
Adjustments to reconcile change in net assets (used in) operating activities:		
Depreciation	170,035	164,851
Net property and equipment losses	2,480	48,287
Net investment gains	(3,003)	(326)
Unrealized gains on investments	(13,975)	(12,145)
Donated assets	(6,500)	-
(Increase) decrease in accounts receivable	(22,024)	149,963
(Increase) decrease in prepaid expenses	(4,444)	1,458
Decrease in accounts payable	(123,064)	(159,478)
Decrease in salaries and accrued benefits payable	-	(855)
Net cash provided by operating activities	<u>185,070</u>	<u>164,548</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchases of buildings and equipment	(85,250)	(296,944)
Purchases of investments	(18,706)	(615,116)
Proceeds from sales of investments	<u>15,693</u>	<u>26,191</u>
Net cash used in investing activities	<u>(88,263)</u>	<u>(885,869)</u>
Net increase (decrease) in cash and cash equivalents	96,807	(721,321)
Cash and cash equivalents at beginning of year	<u>188,209</u>	<u>909,530</u>
Cash and cash equivalents at end of year	<u>\$ 285,016</u>	<u>\$ 188,209</u>

The accompanying notes are an integral part of these statements.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies**

- A. The Louisiana Rural Ambulance Alliance (the Alliance) is a non-profit organization formed on September 8, 1995 to promote the ambulance industry in the State of Louisiana. To accomplish this purpose the Alliance engages in educational and legislative activities on behalf of its members.
- B. To ensure proper usage of restricted and unrestricted assets, the Alliance maintains its accounts according to generally accepted accounting principles, whereby funds are classified in accordance with specified restrictions or objectives.
- C. Buildings and equipment are recorded at cost and are being depreciated using the straight-line methods over their estimated useful lives as follows:

Buildings	30 - 40 years
Other equipment	5 - 10 years

- D. Management considers accounts receivable that are more than 30 days old to be past due and uncollectible. No reserve for uncollectible accounts has been established. Management has determined that all receivables as of year end are collectible.
- E. The majority of the Alliance's revenue is derived from third-party reimbursement arrangements. These revenues and the allowability of the related expenditures are subject to approval by the granting agencies.
- F. The Alliance reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restrictions. The Alliance has no temporary or permanently restricted net assets at December 31, 2014.

The Alliance reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Alliance reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

1. **Summary of Significant Accounting Policies** (continued)

- G. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- H. The Alliance considers all cash accounts, money market funds and all highly liquid deposits with a maturity of three months or less when purchased to be cash and cash equivalents.
- I. Investments in marketable securities with readily determinable fair values are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets.
- J. The Alliance accounts for income taxes in accordance with income tax accounting guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

The Alliance is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Therefore, the Alliance has not recorded a provision for income taxes in the accompanying financial statements and the Alliance does not have any uncertain tax positions. The Alliance files a federal income tax return under U.S. federal jurisdiction. With few exceptions, the Alliance is no longer subject to U.S. federal examinations by tax authorities for the year before 2010.

- K. Expenses are charged directly to programs in categories based on specific identification. Indirect expenses have been allocated based on amounts approved by the respective contracts.

2. **Buildings and Equipment**

Buildings and equipment at December 31, 2014 consist of the following:

	2014	2013
Building	\$ 105,255	\$ 105,255
Furniture and equipment	1,376,614	1,292,426
	<u>1,481,869</u>	<u>1,397,681</u>
Less: Accumulated depreciation	(926,669)	(761,716)
	<u>\$ 555,200</u>	<u>\$ 635,965</u>

Depreciation expense was \$170,035 and \$164,851 for the years ended December 31, 2014 and 2013, respectively.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

3. **Contributions from Government Agencies**

Contributions from government agencies for the years ended December 31, 2014 and 2013 consist of the following:

	2014	2013
Department of Health and Hospitals – EMS Allocation Fund	\$ 196,894	\$ 233,405
Department of Health and Hospitals – HRSA – ERHIT	291,743	324,016
Department of Health and Hospitals – Surge Contract	-	103,414
LA Highway Safety Commission – Computer Contract	-	149,268
Total	<u>\$ 488,637</u>	<u>\$ 810,103</u>

4. **Line of Credit**

The Alliance entered into an open line of credit in the amount of \$100,000 maturing September 3, 2015, of which \$100,000 was unused for the year ended December 31, 2014. The line bears simple interest assessed on a variable rate basis at one percentage point over the prime rate of interest (as published in the money rate section of the Wall Street Journal). The line is secured by all securities and other investment property held with Iberia Bank Wealth Advisors.

5. **Fair Values of Financial Instruments**

In accordance with the Fair Value Measurements and Disclosure topic of FASB ASC, disclosure of fair value information about financial instruments, whether or not recognized in the statements of financial position is required. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments. Therefore, the aggregate fair value amounts presented do not represent the underlying value of the Alliance.

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions.

In accordance with this guidance, the Alliance groups its financial assets and financial liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

5. **Fair Values of Financial Instruments** (continued)

- Level 1 – Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 – Valuation is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following methods and assumptions were used by the Alliance in estimating its fair value disclosures for financial instruments:

Securities

Securities are classified within Level 1 where quoted market prices are available in an active market. Inputs include securities that have quoted prices in active markets for identical assets. If quoted market prices are unavailable, fair value is estimated using pricing models or quoted prices of securities with similar characteristics, at which point the securities would be classified within Level 2 of the hierarchy.

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

5. **Fair Values of Financial Instruments** (continued)

The following table presents for each fair value hierarchy levels, of the Alliance's financial assets and liabilities that are measured at fair value on a recurring basis.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
December 31, 2014			
Equity securities	\$ 359,572	\$ -	\$ -
Fixed income securities	261,815	-	-
	<u>\$ 621,387</u>	<u>\$ -</u>	<u>\$ -</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
December 31, 2013			
Equity securities	\$ 338,357	\$ -	\$ -
Fixed income securities	263,039	-	-
	<u>\$ 601,396</u>	<u>\$ -</u>	<u>\$ -</u>

6. **Related Party Transactions**

The Alliance has contracted with In the Know Publications, LLC to provide comprehensive association management services to the Alliance. In the Know Publications, LLC is owned by the Chief Executive Officer of the Alliance.

Payments were made to In the Know Publications, LLC for contract services and reimbursements of business expenses during the years ended December 31, 2014 and 2013. See Schedule of Compensation, Benefits and Other Payments to Chief Executive Officer for the amounts paid.

The Alliance has a payable to the In the Know Publications, LLC in the amounts of \$7,362 and \$7,362 at December 31, 2014 and 2013, respectively.

7. **Subsequent Events**

In preparing the financial statements, Louisiana Rural Ambulance Alliance has evaluated events and transactions for potential recognition or disclosure through June 12, 2015, and has determined that no events occurred that require disclosure.

SUPPLEMENTARY INFORMATION

LOUISIANA RURAL AMBULANCE ALLIANCE

(A NOT FOR PROFIT ORGANIZATION)

SCHEDULES OF FUNCTIONAL EXPENSES

YEARS ENDED DECEMBER 31, 2014 AND 2013

	Program Services				Support Services	Total Expenses	Memorandum Only 2013 Total
	Contracts	Member Services	Educational	Total	Administrative		
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,797
Committees and memberships	6,419	-	-	6,419	-	6,419	13,508
Contract services	204,160	-	-	204,160	71,746	275,906	344,648
Insurance	-	-	-	-	7,101	7,101	7,913
Interest and bank charges	-	-	-	-	6,888	6,888	1,172
Meals and entertainment	-	3,098	-	3,098	-	3,098	2,404
Miscellaneous	8,253	5,696	6,293	20,242	6,300	26,542	66,515
Office expense	-	44	-	44	-	44	1,305
Postage	-	-	-	-	-	-	486
Professional services	64,638	-	-	64,638	12,263	76,901	56,289
Rent	6,057	-	-	6,057	-	6,057	6,000
Repairs and maintenance	30,897	-	-	30,897	-	30,897	75,169
Supplies	56,073	334	-	56,407	1,316	57,723	75,931
Taxes and licenses	-	-	-	-	1,311	1,311	4,631
Telephone	-	-	-	-	-	-	373
Travel and lodging	22,897	3,098	-	25,995	-	25,995	30,611
Utilities	-	-	-	-	4,675	4,675	3,363
Total expenses before depreciation	399,394	12,270	6,293	417,957	111,600	529,557	708,115
Depreciation of buildings and equipment	-	-	-	-	170,035	170,035	164,851
Total Expenses	<u>\$ 399,394</u>	<u>\$ 12,270</u>	<u>\$ 6,293</u>	<u>\$ 417,957</u>	<u>\$ 281,635</u>	<u>\$ 699,592</u>	<u>\$ 872,966</u>

LOUISIANA RURAL AMBULANCE ALLIANCE
(A NOT FOR PROFIT ORGANIZATION)
SCHEDULES OF COMPENSATION, BENEFITS
AND OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER
YEARS ENDED DECEMBER 31, 2014 AND 2013

Chief Executive Officer: Donna Newchurch Landry

<u>Purpose</u>	<u>2014</u> <u>Amount</u>	<u>2013</u> <u>Amount</u>
Amounts paid directly to the CEO		
Salary	0	0
Benefits	0	0
Travel	7,959	502
Reimbursements	6,553	385
 Amounts paid to In the Know Publications, LLC, wholly owned by the CEO		
Salary	0	0
Benefits	0	0
Contract Services	231,656	234,453
Travel	1,741	0
Reimbursements	308	0
Rent	6,000	6,000

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Louisiana Rural Ambulance Alliance
Napoleonville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Louisiana Rural Ambulance Alliance (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities and changes in net assets, and cash flows for the two years then ended, and the related notes to the financial statements, and have issued our report thereon dated June 12, 2015.

Internal Control over Financial Reporting

In planning and performing our audits of the financial statements, we considered Louisiana Rural Ambulance Alliance's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Louisiana Rural Ambulance Alliance's internal control. Accordingly, we do not express an opinion on the effectiveness of the Louisiana Rural Ambulance Alliance's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Louisiana Rural Ambulance Alliance's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postkithumile: Netterville

Donaldsonville, Louisiana

June 12, 2015

LOUISIANA RURAL AMBULANCE ALLIANCE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2014

SECTION I - SUMMARY OF AUDIT RESULTS

1. The auditors' report expressed an unmodified opinion on the financial statements of Louisiana Rural Ambulance Alliance
2. No significant deficiencies relating to the audit of the financial statements are reported as of December 31, 2014.
3. No instances of noncompliance material to the financial statements of Louisiana Rural Ambulance Alliance were disclosed during the audit.

LOUISIANA RURAL AMBULANCE ALLIANCE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2014

SECTION II - FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESSES

None

SIGNIFICANT DEFICIENCIES

None

COMPLIANCE WITH LAWS AND REGULATIONS

None

LOUISIANA RURAL AMBULANCE ALLIANCE

SCHEDULE OF PRIOR FINDINGS AND RESPONSES

YEAR ENDED DECEMBER 31, 2014

FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESSES

None

SIGNIFICANT DEFICIENCIES

2013-01 Adjustments and Misclassifications

Finding: Adjustments were made for revenue and expenses that were not recorded in the proper period. Additionally, adjustments were made for reclassifications of expenses that should have been capitalized as well as expenses that were not properly segregated as to allow for proper reporting in the financial statements.

Current Status: Management has elected to report the monthly financial statements on the cash basis of accounting and convert to the accrual basis as of the end of the fiscal year. Management assists with the conversion to the accrual basis of accounting during the audit.

COMPLIANCE WITH LAWS AND REGULATIONS

None

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2013-02 Reporting

Finding: The Alliance did not submit reports within the required time periods. The FFR Cash Transactions Report for the quarter ending September 30, 2013 was not submitted within the 30 day requirement. The Federal Financial Report (SF-425) for the budget period of September 1, 2012 through August 31, 2013 was not submitted within the 90 day requirement.

Current Status: With the exception of one report, all other quarterly and final grant reports were filed timely. Due to the change in one of the grant periods during the year, management inadvertently missed the filing deadline.

2013-03 Suspension and Debarment

Finding: The Alliance did not verify that entities were not suspended or debarred from doing business. This verification can be accomplished by checking the *Excluded Parties List System (EPLS)* maintained by the General Services Administration, by collecting a certification from the entity, or by adding a clause or condition to the covered transaction with that entity.

Current Status: Management failed to comply with this requirement for 2014.